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**GARY W. HARPER**  
MANAGER  
SYSTEM OPERATIONS

AZ CORP COM. 180001  
DOCKET CONTROL

November 18, 2008

Arizona Corporation Commission  
**DOCKETED**

Docket Control  
Arizona Corporation Commission  
1200 West Washington  
Phoenix, Arizona 85007



Re: Application of Arizona Public Service Company, Arizona Corporation  
Commission Docket No. L-00000 D-08-0330-00138 (Case No. 138)

Dear Sir/Madam:

I am writing on behalf of Salt River Project Agricultural Improvement and Power District ("SRP") to express support for the Application filed by Arizona Public Service Company ("APS") for a Certificate of Environmental Compatibility ("CEC") in Case No. 138. The Application seeks a CEC for the TS5-TS9 500/230kV Transmission Line Project ("TS5-TS9 Project"). SRP likely will be a participant in the Project and is funding a portion of the siting for the Project.

SRP supports the TS5-TS9 Project because it will provide a number of benefits to SRP and the metropolitan Phoenix area. Those benefits include the following:


- The TS5-TS9 Project, in conjunction with the Palo Verde - TS5 transmission line approved by the Arizona Corporation Commission ("Commission") in Decision No. 68063 (August 17, 2005) in Case No. 128 ("PV-TS5 Project"), provides SRP increased transfer and scheduling capability from Palo Verde to SRP's Valley load.
- The completion of the TS5-TS9 Project, in conjunction with the PV-TS5 Project, will extend the time until SRP needs to build additional transmission from Palo Verde to the Valley.
- The TS5-TS9 Project, in conjunction with the PV-TS5 Project, is required to meet the long term goal of providing a looped 500kV system for the Valley.

- The TS5-TS9 Project, in conjunction with the PV-TS5 Project, will be required for SRP to move energy from anticipated new generation resources in northeast Arizona to the Palo Verde hub.
- The TS5-TS9 Project, in conjunction with the PV-TS5 Project, increases the operational control and flexibility of the Palo Verde Transmission System.
- The TS5-TS9 Project, in conjunction with the PV-TS5 Project, provides additional reliability to facilitate continuity of service in the event of an extreme contingency.

As the points made above indicate, the TS5-TS9 Project is a critical element supporting SRP's participation in the PV-TS5 project. Without the TS5-TS9 project, the PV-TS5 project, already sited by the Commission, provides limited value to SRP. The two projects together, however, will provide significant transmission benefits to the Valley and SRP supports both projects.

If you have any questions, please feel free to contact me.

Sincerely,

  
Gary W. Harper  
Manager, System Operations

cc: John Foreman